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Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Report of the Fifth Committee

Rapporteur: Mr. Jan Piotr **Jaremczuk** (Poland)

I. Introduction

1. The previous recommendation made by the Fifth Committee to the General Assembly under agenda item 130 (a) appears in the report of the Committee contained in document A/54/510.

2. The Fifth Committee resumed its consideration of the item at its 71st, 72nd and 74th meetings, on 25 and 26 May and 2 June 2000. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/54/SR.71, 72 and 74).

3. For its consideration of the item, the Committee had before it the following reports:

(a) Report of the Secretary-General concerning the financial performance of the United Nations Iraq-Kuwait Observation Mission for the period from 1 July 1998 to 30 June 1999 (A/54/709);

(b) Report of the Secretary-General concerning the proposed budget for the period from 1 July 2000 to 30 June 2001 for the maintenance of the Mission (A/54/736);

(c) Reports of the Advisory Committee on Administrative and Budgetary Questions (A/54/841 and Add.3);

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(d) Report of the Secretary-General concerning the question of the payment of mission subsistence allowance in the United Nations Iraq-Kuwait Observation Mission (A/54/873);[1]

(e) Note by the Secretary-General transmitting the report of the Board of Auditors on the special audit of the United Nations Iraq-Kuwait Observation Mission (A/54/869).

II. Consideration of proposals

A. Draft resolution A/C.5/54/L.88

4. At the 74th meeting, on 2 June, the representative of Poland, Rapporteur of the Committee and coordinator of the informal consultations on this item, introduced a draft resolution entitled "Financing of the United Nations Iraq-Kuwait Observation Mission" (A/C.5/54/L.88).

5. At the same meeting, the Committee adopted draft resolution A/C.5/54/L.88 without a vote (see para. 8).

B. Draft decision A/C.5/54/L.94

6. Also at the 74th meeting, the representative of Poland, Rapporteur of the Committee and coordinator of the informal consultations on this item, introduced a draft decision entitled "Payment of mission subsistence allowance in the United Nations Iraq-Kuwait Observation Mission" (A/C.5/54/L.94).

7. At the same meeting, the Committee adopted draft decision A/C.5/54/L.94 without a vote (see para. 9).

III. Recommendations of the Fifth Committee

8. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the United Nations Iraq-Kuwait Observation Mission

The General Assembly,

Having considered the reports of the Secretary-General on the financing of the United Nations Iraq-Kuwait Observation Mission[2] and the related reports of the Advisory Committee on Administrative and Budgetary Questions,[3]

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[1] A related oral statement was made by the Chairman of the Advisory Committee on Administrative and Budgetary Questions at the 71st meeting of the Fifth Committee (see A/C.5/54/SR.71).

[2] A/54/709 and A/54/736.

[3] A/54/841 and Add.3.

Recalling Security Council resolutions 687 (1991) of 3 April 1991 and 689 (1991) of 9 April 1991, by which the Council decided to establish the United Nations Iraq-Kuwait Observation Mission and to review the question of its termination or continuation every six months,

Recalling also its resolution 45/260 of 3 May 1991 on the financing of the Observation Mission and its subsequent resolutions and decisions thereon, the latest of which was resolution 53/229 of 8 June 1999,

Reaffirming that the costs of the Observation Mission that are not covered by voluntary contributions are expenses of the Organization to be borne by Member States in accordance with Article 17, paragraph 2, of the Charter of the United Nations,

Recalling its previous decisions regarding the fact that, in order to meet the expenditures caused by the Observation Mission, a different procedure is required from that applied to meet expenditures of the regular budget of the United Nations,

Taking into account the fact that the economically more developed countries are in a position to make relatively larger contributions and that the economically less developed countries have a relatively limited capacity to contribute towards such an operation,

Bearing in mind the special responsibilities of the permanent members of the Security Council, as indicated in General Assembly resolution 1874 (S-IV) of 27 June 1963, in the financing of such operations,

Expressing its appreciation for the substantial voluntary contributions made to the Observation Mission by the Government of Kuwait and the contributions of other Governments,

Mindful of the fact that it is essential to provide the Observation Mission with the necessary financial resources to enable it to fulfil its responsibilities under the relevant resolutions of the Security Council,

1. *Takes note* of the status of contributions to the United Nations Iraq-Kuwait Observation Mission as at 30 April 2000, including the contributions outstanding in the amount of 13.8 million United States dollars, representing some 5 per cent of the total assessed contributions from the inception of the Mission to the period ending 30 June 2000, notes that some 4 per cent of the Member States have paid their assessed contributions in full, and urges all other Member States concerned, in particular those in arrears, to ensure the payment of their outstanding assessed contributions;

2. *Expresses its continued appreciation* of the decision of the Government of Kuwait to defray two thirds of the cost of the Observation Mission, effective 1 November 1993;

3. *Also expresses its appreciation* to those Member States which have paid their assessed contributions in full;

4. *Expresses concern* about the financial situation with regard to peacekeeping activities, in particular as regards the reimbursements to troop contributors that bear additional burdens owing to overdue payments by Member States of their assessments;

5. *Urges* all other Member States to make every possible effort to ensure payment of their assessed contributions to the Observation Mission in full and on time;

6. *Expresses concern* at the delay experienced by the Secretary-General in deploying and providing adequate resources to some recent peacekeeping missions, in particular those in Africa;

7. *Emphasizes* that all future and existing peacekeeping missions shall be given equal and non-discriminatory treatment in respect of financial and administrative arrangements;

8. *Also emphasizes* that all peacekeeping missions shall be provided with adequate resources for the effective and efficient discharge of their respective mandates;

9. *Requests* the Secretary-General to make the fullest possible use of facilities and equipment at the United Nations Logistics Base at Brindisi, Italy, in order to minimize the costs of procurement for the Observation Mission, and for this purpose requests the Secretary-General to speed up the implementation of the asset management system at all peacekeeping missions in accordance with General Assembly resolution 52/1 of 15 October 1997;

10. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,[4] and requests the Secretary-General to ensure their full implementation;

11. *Requests* the Secretary-General to take all necessary action to ensure that the Observation Mission is administered with a maximum of efficiency and economy;

12. *Also requests* the Secretary-General, in order to reduce the cost of employing General Service staff, to continue efforts to recruit local staff for the Observation Mission against General Service posts, commensurate with the requirements of the Mission;

13. *Decides* to appropriate to the Special Account for the United Nations Iraq-Kuwait Observation Mission the amount of 52,710,270 dollars gross (50,287,503 dollars net) for the maintenance of the Mission for the period from 1 July 2000 to 30 June 2001, inclusive of the amount of 2,501,232 dollars gross (2,116,566 dollars net) for the support account for peacekeeping operations and the amount of 391,038 dollars gross (347,937 dollars net) for the United Nations Logistics Base at Brindisi, Italy, a two-thirds share of this amount, equivalent to 33,525,000 dollars, to be funded through voluntary contributions from the Government of Kuwait, subject to the review by the Security Council with regard to the question of termination or continuation of the Mission;

14. *Decides also*, as an ad hoc arrangement, taking into consideration the funding through voluntary contributions from the Government of Kuwait of the two-thirds share of the cost of the Observation Mission, equivalent to 33,525,000 dollars, to apportion among Member States the amount of 19,185,270 dollars gross (16,762,503 dollars net), representing one third of the cost of the maintenance of the Mission for the period from 1 July 2000 to 30 June 2001, the said amount to be

[4] A/54/841/Add.3.

apportioned at a monthly rate of 1,598,773 dollars gross (1,396,875 dollars net), in accordance with the composition of groups set out in paragraphs 3 and 4 of General Assemoly resolution 43/232 of 1 March 1989, as adjusted by the Assembly in its resolutions 44/192 B of 21 December 1989, 45/269 of 27 August 1991, 46/198 A of 20 December 1991, 47/218 A of 23 December 1992, 49/249 A of 20 July 1995, 49/249 B of 14 September 1995, 50/224 of 11 April 1996, 51/218 A to C of 18 December 1996 and 52/230 of 31 March 1998 and its decisions 48/472 A of 23 December 1993, 50/451 B of 23 December 1995 and 54/456 to 54/458 of 23 December 1999, and taking into account the scale of assessments for the year 2000, as set out in its resolutions 52/215 A of 22 December 1997 and 54/237 A of 23 December 1999, and for the year 2001,[5] subject to the review by the Security Council with regard to the question of termination or continuation of the Mission;

15. *Decides further* that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraph 14 above, their respective share in the Tax Equalization Fund of the estimated staff assessment income of 2,422,767 dollars approved for the Observation Mission for the period from 1 July 2000 to 30 June 2001;

16. *Decides* that, taking into consideration the funding through voluntary contributions from the Government of Kuwait of the two-thirds share of the cost of the Observation Mission, for Member States that have fulfilled their financial obligations to the Mission there shall be set off against the apportionment, as provided for in paragraph 14 above, their respective share of the unencumbered balance of 894,967 dollars gross (643,967 dollars net), representing one third of the unencumbered balance of 2,182,900 dollars gross (1,931,900 dollars net) in respect of the period from 1 July 1998 to 30 June 1999;

17. *Decides also* that, for Member States that have not fulfilled their financial obligations to the Observation Mission, their share of the unencumbered balance of 894,967 dollars gross (643,967 dollars net) in respect of the period from 1 July 1998 to 30 June 1999 shall be set off against their outstanding obligations;

18. *Decides further* that two thirds of the net unencumbered balance of 1,931,900 dollars, equivalent to 1,287,933 dollars, shall be returned to the Government of Kuwait;

19. *Emphasizes* that no peacekeeping mission shall be financed by borrowing funds from other active peacekeeping missions;

20. *Encourages* the Secretary-General to continue to take additional measures to ensure the safety and security of all personnel under the auspices of the United Nations participating in the Observation Mission;

21. *Invites* voluntary contributions to the Observation Mission in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedure and practices established by the General Assembly;

22. *Decides* to include in the provisional agenda of its fifty-fifth session, under the item entitled "Financing of the activities arising from Security Council

[5] To be adopted by the General Assembly.

resolution 687 (1991)", the sub-item entitled "United Nations Iraq-Kuwait Observation Mission".

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9. The Fifth Committee also recommends to the General Assembly the adoption of the following draft decision:

Payment of mission subsistence allowance in the United Nations Iraq-Kuwait Observation Mission

The General Assembly, recalling its resolution 54/18 of 29 October 1999, and having considered the report of the Board of Auditors on the special audit of the United Nations Iraq-Kuwait Observation Mission,[6] the report of the Secretary-General on the financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission,[7] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[8]

Decides to revert to the question of the payment of mission subsistence allowance in the United Nations Iraq-Kuwait Observation Mission during the main part of the fifty-fifth session of the General Assembly.

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[6] See A/54/869.
[7] A/54/873.
[8] See A/C.5/54/SR.71.